

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

WESTERN MASSACHUSETTS ELECTRIC COMPANY

DOCKET NO. D.T.E. 97-120

ELECTRIC RESTRUCTURING PLAN

---

TESTIMONY OF  
CHARLES J. RONCAIOLI  
ON BEHALF OF  
WESTERN MASSACHUSETTS ELECTRIC COMPANY

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SEPTEMBER 4, 1998

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1 **INTRODUCTION**

2 Q. Please state your name, position, and business address.

3 A. My name is Charles J. Roncaioli. I am Manager of Pricing Strategy and Administration  
4 of Northeast Utilities ("NU") and its principal subsidiaries, including Western  
5 Massachusetts Electric Company ("WMECO" or the "Company"). My business address  
6 is 107 Selden Street, Berlin, Connecticut.

7

8 Q. Please summarize your education and professional experience.

9 A. Please see attached Exhibit CJR-1.

10

11 Q. Mr. Roncaioli, have you testified previously before the Department of

12 Telecommunications and Energy?

13 A. Yes, I have. I have testified on rate design issues in rate proceedings before the  
14 Department since 1990, and I have also testified on a variety of other issues related to  
15 the Company's rates.

16

17 **PURPOSE OF TESTIMONY**

18 Q. What is the purpose of your testimony?

19 A. The purpose of my testimony is to support the proposed rate modifications requested by  
20 the Company in this docket. In general, the proposed changes result in the

1 implementation of the ten percent rate reduction, through the development of unbundled  
2 tariffs to comply with the legislation (Chapter 164 of the Acts of 1997) and the  
3 restructuring policies set forth by the Department in its previous orders in D.P.U. 95-30  
4 and D.P.U. 96-100 as well as the 2.4% reduction that the Company proposed to be  
5 effective on July 1, 1998.

6  
7 Q. How has the Company designed rates in this proceeding?

8 A. In a traditional rate proceeding, the Company uses Cost of Service Studies to produce  
9 each rate class's revenue target and designs rates to produce that revenue target while  
10 meeting the multiple goals of rate design. In this case, the Company's proposed base  
11 rates produce revenues from each rate class that are uniformly lower than present base  
12 rates by 10 percent, the same percentage as the additional revenue reduction sought by  
13 the Company. Conceptually, the implementation of the 10 percent reduction, through  
14 the development of unbundled tariffs is a straight-forward process and is discussed in  
15 greater detail in Chapter II, section C, Rate Unbundling of the narrative description of  
16 the Company's restructuring plan as it has now been amended (the "Revised Plan") that  
17 is being filed concurrently with testimony.

18  
19 Q. What data requests are you responsible for in this case?

20 A. Please see the attached Exhibit CJR-2.

21  
22  
23 Q. Does this conclude your testimony?

24 A. Yes it does.

1                                   **WESTERN MASSACHUSETTS ELECTRIC COMPANY**

2                                   **D.T.E. 97-120**

3                                   **EXHIBIT CJR-1**

4  
5   **QUALIFICATIONS OF CHARLES J. RONCAIOLI**

6  
7 Charles Roncaioli graduated from Trinity College with BS and BSME degrees. He received an  
8 MA degree in Economics, with concentration in corporate finance in 1981 from the same  
9 institution. In addition, he has taught undergraduate courses in microeconomics and  
10 macroeconomics for Post College in Waterbury, Connecticut.

11  
12 In 1965, he joined the Westinghouse Electric Corporation, Bettis Atomic Power Laboratory, as  
13 an engineer responsible for designing fuel and core instrumentation systems for U.S. Navy  
14 nuclear ships. During his four years in this position, he attended the 25-week Westinghouse  
15 Reactor Engineering School and took Graduate courses in mathematics at the University of  
16 Pittsburgh.

17  
18 In 1969, he joined Northeast Utilities Service Company as an engineer in the Generation  
19 Engineering Department, where his duties ranged from overall coordination of nuclear plant  
20 licensing to nuclear plant project supervision.

21  
22 In 1976, he became Supervisor of Load Forecasting, with the responsibility of producing  
23 required data, assumptions and models necessary to upgrade the NU companies' load forecasting  
24 capability. In 1979, he was promoted to the position of Manager of Economic and Load  
25 Forecasting, with the responsibility of establishing the federal and state economic scenarios and  
26 consistent load forecasts for all of the NU system operating companies. These forecasts  
27 provided the basis for the planning process at the NU system.

28  
29 In March 1983, he became Manager of Rate Analysis which later became Pricing Strategy and  
30 Administration, with the responsibility for the rate activities of each of the operating companies  
31 of NU, including Connecticut Light and Power Company (CL&P), Holyoke Water Power  
32 Company (HWP), Holyoke Power and Electric Company (HP&E), and Western Massachusetts  
33 Electric Company (WMECO). Specifically, his responsibilities cover design and administration  
34 of the system's electric service rates and contracts, including those under the jurisdiction of the  
35 Federal Energy Regulatory Commission, the Massachusetts Department of Public Utilities and  
36 the Connecticut Department of Public Utility Control.

37  
38 Mr. Roncaioli has testified before the Connecticut DPUC and Massachusetts DPU. In addition,  
39 he has submitted written testimony to the Federal Energy Regulatory Commission in wholesale  
40 rate filings. He has testified before the Massachusetts Energy Facilities Siting Council and the  
41 Connecticut Siting Council.

1                                   **WESTERN MASSACHUSETTS ELECTRIC COMPANY**

2                                   **D.T.E. 97-120**

3                                   **EXHIBIT CJR-2**

4

5   **D.T.E. 97-120 Charles J. Roncaioli Data Requests**

6	SET	QUESTION	SET	QUESTION	SET	QUESTION
7	AG-1	AG-001	DOER-02	DOER-002	TBE-01	TBE-001
8	AG-1	AG-002	DOER-03	DOER-001	TBE-02	TBE-002
9	AG-1	AG-003	DOER-03	DOER-002	TBE-03	TBE-001
10	AG-1	AG-004	DOER-03	DOER-003	TBE-03	TBE-002
11	AG-1	AG-005	DOER-03	DOER-004	TBE-03	TBE-003
12	AG-1	AG-006	DOER-03	DOER-005	TBE-03	TBE-004
13	AG-1	AG-007	DTE-02	DTE-025	TBE-04	TBE-002
14	AG-1	AG-008	DTE-02	DTE-026	TBE-04	TBE-003
15	AG-1	AG-009	DTE-02	DTE-027	TBE-04	TBE-004
16	AG-1	AG-010	DTE-02	DTE-028	TBE-05	TBE-001
17	AG-1	AG-011	DTE-02	DTE-029	TBE-05	TBE-002
18	AG-1	AG-012	DTE-02	DTE-030	TBE-05	TBE-003
19	AG-1	AG-013	DTE-02	DTE-031	TBE-05	TBE-004
20	AG-1	AG-014	DTE-02	DTE-032	TBE-05	TBE-005
21	AG-1	AG-015	DTE-02	DTE-033	TBE-05	TBE-006
22	AG-1	AG-016	DTE-02	DTE-034	TBE-06	TBE-001
23	AG-1	AG-017	DTE-02	DTE-035	TBE-06	TBE-002
24	AG-1	AG-018	DTE-02	DTE-036	TBE-06	TBE-003
25	AG-3	AG-001	DTE-02	DTE-037	TBE-06	TBE-004
26	AG-5	AG-063	DTE-02	DTE-038	TBE-06	TBE-005
27	AG-11	AG-001	DTE-02	DTE-039	TBE-07	TBE-001
28	AG-11	AG-002	DTE-03	DTE-001	TBE-07	TBE-002
29	AG-11	AG-003	DTE-03	DTE-005	TBE-07	TBE-003
30	AG-11	AG-004	DTE-04	DTE-002	TBE-07	TBE-004
31	AG-11	AG-005	DTE-08	DTE-003	TBE-07	TBE-005
32	AG-11	AG-007	DTE-08	DTE-004	TBE-07	TBE-006
33	AG-11	AG-008	DTE-08	DTE-005	TBE-07A	TBE-001
34	AG-11	AG-009	DTE-08	DTE-006	TBE-07A	TBE-002
35	AG-11	AG-010	DTE-08	DTE-007	TBE-07A	TBE-003
36	AG-11	AG-013	DTE-08	DTE-008	WMICG-01	WMICG-001
37	AG-11	AG-014	DTE-08	DTE-010	WMICG-01	WMICG-002
38	AG-11	AG-015	ENRON-1	ENRON-022	WMICG-02	WMICG-001
39	AG-15	AG-001	ENRON-1	ENRON-025	WMICG-02	WMICG-002
40	AG-15	AG-003	LLI-01	LLI- 12	WMICG-02	WMICG-005
41	AG-15	AG-004	LLI-01	LL1-018	WMICG-02	WMICG-007

	<b>SET</b>	<b>QUESTION</b>	<b>SET</b>	<b>QUESTION</b>	<b>SET</b>	<b>QUESTION</b>
1						
2	AG-15	AG-006	LLI-01	LL1-019	WMICG-02	WMICG-008
3	AG-15	AG-007	LLI-01	LL1-020	WMICG-02	WMICG-009
4	AG-15	AG-008			WMICG-02	WMICG-010
5					WMICG-02	WMICG-011
6					WMICG-02	WMICG-012
7					WMICG-02	WMICG-030
8					WMICG-02	WMICG-031
9					WMICG-02	WMICG-032
10					WMICG-02	WMICG-034
11					WMICG-02	WMICG-035
12					WMICG-02	WMICG-036
13					WMICG-02	WMICG-037
14						